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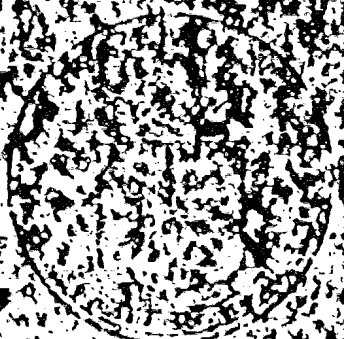
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ON THE PRESIDENT
OF THE UNITED STATES



NATIONAL INTELLIGENCE ESTIMATE

FEASIBILITY OF JAPANESE REARMAMENT IN
ASSOCIATION WITH THE UNITED STATES



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NIE-19

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The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff participated in the preparation of this estimate. All members of the Intelligence Advisory Committee concurred in this estimate on 17 April.

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FEASIBILITY OF JAPANESE REARMAMENT IN ASSOCIATION WITH THE UNITED STATES

THE PROBLEM

To assess the feasibility of rearming Japan in association with the US and its allies, the capability of Japan for effecting such rearmament, and the Soviet reaction thereto.

CONCLUSIONS

1. Japan's value to the Eastern or Western bloc rests on its industrial potential, its trained manpower, and its strategic location with respect to the Asiatic mainland and to US defense outposts in the western Pacific.
2. Japan has sufficient manpower and industrial facilities to enable it, within a few years, to assume a large and growing share of its own military defense provided: (a) enough raw materials including those in scarce supply were made available; and (b) the US furnished interim military assistance and training. Japan also has the economic capability to assume a major share of the costs of rearmament, and, if Japan were to do so, the dollar costs to the US would probably not exceed current levels of US support to the Japanese economy.
3. We believe that if Japan were accorded sovereignty under a treaty of peace, and if the US provided military protection and economic support, the Japanese Government would move toward reconstituting its armed forces in strength sufficient to defend Japan and could gain adequate popular support for this program. For some time however, progress would be

impeded by widespread war-weariness, fears of a resurgence of militarism, and concern over economic hardships. A legal obstacle, the importance of which cannot be accurately estimated at this time, is the constitutional prohibition against the maintenance of armed forces (see Appendix A). The Japanese Government would undoubtedly use popular reluctance to rearm, as well as the constitutional difficulty, as bargaining points in negotiations for US military and economic aid.

4. Although the non-Communist countries with major interests in the Far East have varying degrees of apprehension about the remilitarization of Japan, the present governments in these countries are reconciled to the necessity of Japanese defensive rearmament. Australia and New Zealand, however, would press for the simultaneous development of mutual security arrangements with the US participating.

5. The Kremlin and the Chinese Communist regime will continue to try to prevent the conclusion of a Japanese peace treaty to which they are not a party and will try to frustrate, or at least to delay

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and limit Japanese rearmament by bringing propaganda and diplomatic pressure to bear on Japan, the US, and other non-Communist countries.

6. The USSR would refuse to recognize the validity of a US-sponsored treaty between Japan and the non-Communist powers but would not consider it to be sufficiently important in itself to justify direct military action. Soviet concern over Japan centers not in the treaty issue as such, but in Japanese rearmament.

7. We do not believe that Japanese rearmament in itself would set off a general war between the USSR and the US. If, however, the Kremlin were to conclude, in the light of the world power situation, that the rearmament of Japan and its alignment with the US constituted a threat to the security of the Soviet bloc, the USSR would probably resort to military action at the time and place most advantageous to itself.

DISCUSSION

1. Because of the strategic location of Japan, its industrial capacity, and its large pool of trained civilian and military manpower, Japan's ultimate political alignment will be a decisive factor in the balance of power in the Far East. If the Communists controlled Japan, they could:

- a. Safeguard the Communist controlled territory in Northeast Asia;
- b. Breach the US defense line in the western Pacific;
- c. Strengthen the industrial and military power of the Soviet bloc, particularly in respect to shipping and sea power with the Far East;
- d. Facilitate Communist aggression in South and Southeast Asia; and
- e. Free Communist forces for deployment elsewhere.

If, on the other hand, Japan were to be rearmed and aligned with the West:

- a. The West would benefit from the fact that the industrial and military resources of the nation were retained in friendly hands;
- b. Japan would provide a potential base for Western military power in Northeast Asia;
- c. The US would be able to protect its defense outposts in the western Pacific; and
- d. Other non-Communist countries would be encouraged in their fight against the spread of Communism.

Japan's Military Potential

2. Because of its present military impotence, Japan is vulnerable to military attack by the USSR, which alone, or together, with Communist China, could initiate a large-scale invasion with no further warning than we now have. Japan has, however, the potential for creating forces sufficient to defend itself against such an invasion or to build up a large military establishment.

3. Japan has sufficient manpower to create large ground, naval, and air forces.

a. A Japanese Army of up to 500,000 men theoretically could be created within six months or a year after Japan had agreed to rearmament, equipment and supplies had become available, and a training program had begun. Its nucleus would be the 75,000 men now in the National Police Reserve, who are receiving US training and equipment. The remainder of such an army and the further increments would be drawn from a manpower pool of 15 million men, including approximately 8 million veterans, theoretically fit for military service. The basic machinery required for mobilization still exists, and there are enough veteran officers of the Imperial Army at all command and staff levels for virtually any size of army required.

b. Similarly, there are enough naval and air force personnel, including technicians, to man large naval and air establishments.

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4. There are enough trained workers in Japan to operate an industrial plant as large and productive as that maintained during World War II. A large part of this industrial plant, despite war damage and some removals for reparations, is intact or usable, or could be restored after relatively minor repairs. Japan still has facilities for the manufacture of such ground force munitions as edged weapons, small arms, mortars, rocket guns, artillery, light tanks, self-propelled guns, combat vehicles, and ammunition. These facilities could be rapidly expanded. Most Japanese shipyards and naval base facilities are still intact or usable. The naval arsenals, while damaged by war action and subsequent reparations removals, could be retooled to produce medium- and small-caliber guns, naval mines, and torpedoes within a relatively short time. Annual capacity for production of a supporting merchant fleet is at present rated at 800,000 gross tons of steel vessels. Repair facilities for the largest naval ships are available, and construction of small naval vessels could begin fairly soon. We estimate that within 12 to 18 months, a considerable portion of Japan's former capacity to produce weapons and ammunition for the use of ground and naval forces could be restored.

5. Japan at present has no capacity for the manufacture of aircraft or related equipment. Reconstruction and tooling up to build current US fighter and light bomber types of aircraft, with US aid and equipment, would require at least two years of intensive effort. It would take about four years thereafter to attain a potential production capacity per month of 2,300 aircraft of all types, the World War II peak. Crated aircraft and equipment from outside sources, however, could be assembled as rapidly as received.

6. Japan depends upon imports for many of its most essential raw materials as well as about 20 percent of its foodstuffs. In the past, the Northeast Asian mainland and Taiwan were Japan's principal sources of foodstuffs, and the Northeast Asian mainland was the principal source of its coking coal, a substantial proportion of its iron ore, and some of its manganese. South and Southeast Asia were the sources for most of its manganese,

rubber, and tin; nearly one-half of its raw cotton; a considerable proportion of its iron ore; and some of its foodstuffs and petroleum. The US was the source of about one-half of Japan's raw cotton and about two-thirds of its petroleum.

7. Comparatively little raw material from Northeast Asia has been available in the past five years, and Communist China probably would deny Japan all strategic materials whenever Japanese rearmament and alignment with the West had become evident. Korea, regardless of the outcome of the present conflict, will not be able to export much food or raw material for some time to come. Because of the burden of supporting the Chinese Nationalists, Taiwan cannot make food available in the quantities that it formerly sent to Japan. South and Southeast Asia can still contribute significantly toward meeting Japanese requirements for food and such raw materials as iron ore, rubber, bauxite, tin, and cotton, and, to a lesser degree, petroleum, provided:

- a. The area or a large part of it does not come under Communist control;
- b. Communist forces already in the area do not seriously interfere with production in the principal industries; and
- c. Transport of materials is not interdicted.

Nevertheless, substantial quantities of iron ore, coking coal, cotton, and foodstuffs would have to be imported in the next few years from the Western Hemisphere, primarily the US, if Japanese industrial capacity were to be fully utilized. Raw materials in adequate quantities probably could be made available for Japanese import, although for some materials US allocations would probably be necessary.

8. If a substantial rearmament program were undertaken in Japan, dollar aid would probably be required. The magnitude of dollar aid would not have to be excessive, although it would be increased if there were an undue diversion of Japanese resources from production for export to armaments production. Western rearmament has substantially improved the Japanese balance of payments. The shortage of manufactured products, particularly metal products, on world markets,

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together with the improved balance of payments position of Japan's customers, has facilitated increased sales of Japanese manufactured goods. Earnings from its exports together with dollar receipts from pay-as-you-go arrangements with the US should place Japan in a fairly favorable balance of payments position. In addition, Japan has industrial capacity and skilled manpower substantially in excess of that currently employed. Given availability of raw materials, Japan probably would be able to expand its exports and at the same time support a defensive rearmament program without a cutback in its living standards and at an annual dollar cost to the US approximating the magnitude of aid now being extended.

Prospects For Japanese Rearmament

9. Several basic factors in the Japanese situation strongly favor, though they do not ensure, Japan's rearmament in association with the US and Japan's cooperation with the US and its allies in opposing Far Eastern Communism. Japan's primary desire today is for an arrangement by which it may regain control of its own affairs, maintain its national security, and achieve an accepted international status. Although Japan would have preferred to assume a neutral status in world affairs in order to bargain freely with all powers and thus obtain maximum national advantage in economic and political matters, events in Korea have largely dispelled the illusion that Japan could remain neutral in the East-West struggle. Assuming a reasonably early end of the occupation and continued faith in US military and economic strength, the Japanese attitude toward the US is likely to remain favorable or at least not to become so unfavorable as to be a major obstacle to cooperation in the early post-treaty years.

10. Most Japanese leaders in the government and two of the three principal political parties either strongly favor rearmament or perceive that it cannot be avoided. The Japanese people as a whole, however, are fearful of direct involvement in another war, of a lowering of present living standards, and of a revival of autocratic and militaristic government. In

government circles there is some concern over the possibility of a threat to civilian control if high-ranking officers are returned to influential positions in a rearmament program. Many Japanese would find it difficult suddenly to accept the idea of a rearmed Japan. Japanese youth today lack the psychological conditioning and sense of mission common to the prewar and wartime youth in the armed services.

11. Against these factors, however, must be set Japan's historic fear of Russia, the persistent threat of Soviet aggression, the anti-Communist tradition of the Japanese people, their ingrained obedience to authority, their deep-rooted patriotism, and their nationalism, all of which would impel them to fight in defense of Japan. During the last ten months, there has been a trend in favor of self-defense. Given government leadership and the continuing threat of Soviet aggression, this trend is likely to be accelerated.

12. A Japanese governmental decision to move toward reconstituting Japanese armed strength would require:

a. A peace treaty, signed at the earliest possible moment by as many as possible of Japan's former enemies, which would restore Japanese sovereignty.

b. A security arrangement providing for the commitment of US military forces to the defense of Japan while Japanese strength was being developed.

c. Assurance of US economic support.

The extent of popular acceptance of a government decision to rearm would be influenced by such factors as the disposition of the Ryukyus and Bonins and the extent to which the Japanese people had become convinced that rearmament would be for their own security. Even after a decision to rearm was taken, however, security arrangements and questions of economic aid would presumably be the subject of continuous negotiation as the Japanese sought to use their strategic importance to the US to exact the greatest possible concessions from the US.

13. If Japan were fully sovereign and rearmed, its course would probably be determined chiefly by opportunistic considerations. Thus,

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Japan could be expected to exploit its bargaining position, to expand its sphere of influence, and to make its own accommodation to any significant change in the Far Eastern or international power situation. Basically, however, it would retain a preference for a Western rather than a Soviet alignment.

World Reactions to Japanese Rearmament

14. A US decision to assist Japanese rearmament would not cause seriously adverse reactions in any non-Communist country with major interests in the Far East. Australia* and New Zealand, however, will require US guarantees against future Japanese military aggression. These countries, as a result of their World War II experiences, are reluctant to see Japan rearmed despite increasing evidence of the threat to their security represented in the expansion of Communism in the Far East. They therefore desire safeguards against both Communist expansionism and resurgent Japanese militarism. The Western European nations and the UK accept the necessity and desirability of Japanese rearmament.

15. Because of the deep-rooted Chinese fear of Japan, a US decision to rearm the Japanese would tend to reinforce the Sino-Soviet alliance.

16. The USSR would oppose a US-sponsored treaty between Japan and the non-Communist powers. Instead, it would insist that the proper procedure would be for the US, the USSR, the UK, France, and Communist China to draft a treaty for submission to the other interested parties. The main provisions which the USSR would insist should be incorporated in a treaty, all designed to facilitate eventual Soviet penetration of Japan, would be: (a) immediate evacuation of occupying troops; (b) "demilitarization" of Japan; and (c) "democratization" of Japan according to Soviet ideas.

*In view of the declared opposition of Australian labor leaders to Japanese rearmament, an Australian Labor Party victory in the forthcoming general election would reduce the likelihood of obtaining the agreement of the Australian Government to Japanese rearmament, even given mutual security arrangements in the Pacific.

Territorial settlements, the USSR would claim, would only require ratification of provisions in the Cairo (1943) and Potsdam (1945) agreements. The effect of this would be to continue Soviet possession of the Kuriles and South Sakhalin, establish Chinese Communist control over Taiwan and the Pescadores, and return the Ryukyus and Bonins from US control to Japan. Because the real concern of the USSR is over Japanese rearmament rather than a treaty, Soviet reaction to the signing of a US-sponsored treaty would take the form of a propaganda campaign of accusations that the US was planning "further aggression" from Japan, threats of counteraction based on the Sino-Soviet treaty, and threats of economic pressure implicit in emphasis on the economic disaster that would result if Japan cut itself off economically from the mainland. By such propaganda, the USSR would try not only to prevent or delay a treaty but also to complicate US foreign relations with the non-Communist nations in Asia. If the US should proceed on the present basis and actually conclude a treaty with Japan without Soviet participation, the USSR would declare that the USSR did not recognize its validity and was in no way bound by any of the treaty provisions. Nevertheless, the USSR has probably already discounted the proposed bilateral US-Japanese arrangements and would not consider the formalization of these arrangements in a written agreement as sufficiently important in itself to justify direct military action. This is true primarily because Soviet concern over Japan centers not in the treaty issue as such but in Japanese rearmament.

17. The Kremlin would undoubtedly view Japanese rearmament, particularly in conjunction with US, Western European, and German rearmament, as a serious obstacle to attainment of Soviet objectives and ultimately, perhaps, as part of a cumulative threat to the security of the USSR. Soviet reaction to Japanese rearmament would be strong, especially if it reached a scale that promised to produce a military force potentially capable of offensive action. The USSR would probably make diplomatic countermeasures comparable to those elicited by the prospect of West German rearmament and would attempt to thwart or

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limit Japanese rearmament by propaganda and other means short of direct military action. These would include:

a. Attempting to create further dissension between the US and its allies over US policy in Asia;

b. Arousing victims of former Japanese aggression to resentment against the US, because of its role in building up Japan; and

c. Continuing to accuse the US of imperialist designs in Asia and of deliberate violation of international agreements.

18. The USSR would also attempt to weaken Japanese popular will to support the US by at least:

a. Continuing to make increasingly pointed references to Sino-Soviet treaty provisions for joint action by Communist China and the USSR against renewed Japanese aggression; and

b. Exploiting Japanese desires for trade with the mainland, particularly North China and Manchuria.

19. If, over a period of time, Soviet leaders came to the conclusion that they could not prevent Japanese rearmament by such tactics, they would probably consider further courses of action. At that time, the Kremlin undoubtedly would take into consideration the relative world power situation of the USSR (including atomic capabilities), particularly the extent to which Western European and West German rearmament had developed, and the military situation of the Chinese Communists, as well as the scale and rate of progress of Japanese rearmament. We do not believe that Japanese rearmament in itself would set off a general war between the US and the USSR. If, however, the Kremlin were to conclude, in the light of the world power situation, that the rearmament of Japan and its alignment with the US would shift the world balance of power sufficiently to constitute a threat to the security of the Soviet bloc, the USSR would probably resort to military action.

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APPENDIX A

PROVISIONS OF THE JAPANESE CONSTITUTION PERTINENT TO THE QUESTION OF REARMAMENT

The following provisions of the Japanese constitution are relevant to the problem of rearming Japan:

"Chapter II. -- Renunciation of War

Article 9. Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes.

"In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the state will not be recognized."

"Chapter VI. Judiciary

Article 81. The Supreme Court is the court of last resort with power to determine the constitutionality of any law, order, regulation or official act."

"Chapter IX. Amendments

Article 96. Amendments to this Constitution shall be initiated by the Diet, through a concurring vote of two-thirds or more of all the members of each House and shall thereupon be submitted to the people for ratification, which shall require the affirmative vote of a majority of all votes cast thereon, at a special referendum or at such election as the Diet shall specify . . ."

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